



FINAL EXAMINATION
MARCH 2024

COURSE TITLE	BUSINESS AND GOVERNMENT RELATIONS
COURSE CODE	TPAD3233
DATE/DAY	19 JUNE 2024 / WEDNESDAY
TIME/DURATION	09:00 AM - 11:00 AM / 02 Hour(s) 00 Minute(s)

INSTRUCTIONS TO CANDIDATES :

1. Please read the instruction under each section carefully.
2. Candidates are reminded not to bring into examination hall/room any form of written materials or electronic gadget except for stationery that is permitted by the invigilator.
3. Students who are caught breaching the Examination Rules and Regulation will be charged with an academic dishonesty and if found guilty of the offence, the maximum penalty is expulsion from the University.

(This Question Paper consists of **3** Printed Pages including front page)

*****DO NOT OPEN THE QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO*****

This question paper consists of FOUR (4) questions. Read the case and answer ALL questions in the answer booklet provided. [100 MARKS]

For the past fifteen years, the government has allowed Boeing to conduct its own inspections related to many manufacturing and safety issues — and during that time, government reports, experts, and whistleblowers have issued more than a dozen warnings that the self-inspection program has led to serious production issues and contributed to two fatal crashes.

During much of that period, federal regulators shifted an ever-larger amount of the plane-certification process to Boeing, even as the plane manufacturer cut production corners and pledged to focus on “removing layers that help us be faster.” Now a new government investigation, a whistleblower report, and aviation experts suggest the self-inspection program could have played a role in multiple recent high-altitude debacles, including a door plug blowing out of an Alaska Airlines flight over Oregon last month because four key bolts weren’t installed.

In the wake of a multimillion-dollar lobbying blitz, in 2009 the Federal Aviation Administration (FAA) began allowing Boeing to conduct its own plane inspections and determine for itself whether its designs and production work were airworthy. The move, part of a newly established Organization Designation Authorization (ODA) program, was framed in part as a cost-savings measure. Since then, more than a dozen government reports, surveys, and whistleblower notices have warned of problems with the ODA program, including a lack of necessary government oversight, staffing shortages, poor training, and a history of allowing safety problems to go undetected. The lack of oversight culminated in two Boeing 737 Max planes crashes in 2018. The first in Indonesia, killing 189 people. Boeing initially blamed pilot error on the crash, but five months later another 737 Max plane crashed in Ethiopia, killing another 157.

“The MAX crashes were not the result of a singular failure, technical mistake, or mismanaged event,” the report states. “They were the horrific culmination of a series of faulty technical assumptions by Boeing’s engineers, a lack of transparency on the part of Boeing’s management, and grossly insufficient oversight by the FAA — the pernicious result of regulatory capture on the part of the FAA with respect to its responsibilities to perform robust oversight of Boeing and to ensure the safety of the flying public.”

Boeing executives later admitted that its own design played a role in the crashes — a design flaw that the FAA should have caught, the House investigation stated. “The FAA’s oversight was hampered by poor, disjointed FAA communication among the agency’s own internal offices responsible for certifying new critical 737 MAX systems,” the House investigation stated. “From FAA leadership down, ineffective communication and lack of coordination on key certification and safety issues jeopardized the safety of the flying public.”

Adapted from Boeing’s Self-Inspection Program Is Deeply Flawed by Freddy Brewster
<https://jacobin.com/2024/02/boeing-self-inspection-safety-oda>

QUESTION 1

(25 Marks)

Explain how this case fits with the general content of the Business and Government Relations course.

QUESTION 2

(25 Marks)

Based on this case and the general information provided in the course, discuss if a self-regulatory approach is effective in maintaining safety standards and preventing accidents.

QUESTION 3

(25 Marks)

In your opinion, discuss in which ways Boeing has been exhibiting elements of *shareholder primacy* management approach. Use examples from the case to justify your answer.

QUESTION 4

(25 Marks)

Discuss in what ways lobbying can be used to influence government decisions and how that can affect the safety of consumers and the general population. Use examples from the case and the course in general to justify your arguments.

***** END OF QUESTION PAPER *****